

Members

Rep. Sheila Klinker, Chairperson
Rep. Suzanne Crouch
Sen. Marvin Riegsecker
Sen. Connie Sipes
Sally Lowery
Suda Hopkins
Betty Williams
Christopher Durcholz
Susan Ferverda
Bettye Dunham
Scott Sefton
Sharon Kooi



COMMISSION ON MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES

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MEETING MINUTES¹

Meeting Date: July 28, 2008
Meeting Time: 1:00 P.M.
Meeting Place: State House, 200 W. Washington St., 431
Meeting City: Indianapolis, Indiana
Meeting Number: 1

Members Present: Rep. Sheila Klinker, Chairperson; Sen. Connie Sipes; Sally Lowery; Suda Hopkins; Betty Williams; Christopher Durcholz; Bettye Dunham; Scott Sefton; Sharon Kooi.

Members Absent: Rep. Suzanne Crouch; Sen. Marvin Riegsecker; Susan Ferverda.

I. Opening and Introductions, Representative Sheila Klinker, Chairperson

Representative Klinker called the meeting to order at 1:15 P.M. and asked members to introduce themselves.

II. Presentation by Mr. Peter Bisbecos, Director, Division of Disability and Rehabilitative Services (DDRS), Family and Social Services Administration (FSSA), on the State of DDRS

Mr. Bisbecos provided the Commission with information on programs offered by DDRS. (Exhibit 1, Exhibit 2) Mr. Bisbecos highlighted accomplishments of the Department. These accomplishments include providing new MRDD programs, spending 99.4% of their budget on programs, decreasing the program application processing time from 18 months to 120 days, crisis management improvements, and providing services to new populations. Mr. Bisbecos also informed the Commission that the First Steps program is running under budget for this fiscal year due to required changes that were made in 2005; however, spending per child has

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remained constant.

Some of the problems that Mr. Bisbecos identified for the Commission were long waiting lists for services as well as the growth in the number of service providers not keeping pace with the growth of state programs for MRDD. In response to questions from Rep. Klinker, Mr. Bisbecos discussed the steps DDERS was taking to try to reduce the waiting lists for programs by working with individuals that are coming out of school and securing employment in fields that program participants want to work in. Allowing participants to choose their own employment field, Mr. Bisbecos stated, is the best way to ensure success for program participants.

In response to Rep. Klinker's questions, Mr. Bisbecos did not offer any single reason that the number of service providers has not grown at the same rate as MRDD programs. He estimated that state programs are pulling from the same labor pool for providers as other independent programs, thus limiting the number of individuals that the state can hire. Mr. Bisbecos also suggested that individuals are less interested in working with patients that have behavioral and psychiatric problems, resulting in fewer people that select career paths in MRDD service-provision fields.

Rep. Klinker enquired if the developmentally disabled individuals encountered any problems acquiring jobs given the state of the economy. Mr. Bisbecos informed the Commission that they have not encountered problems finding employment for the developmentally disabled, despite the current economy. He stated this population is very employable due to their ability to perform high-end repetitive tasks with a high degree of accuracy. At the same time, the state does not want to limit the work choices of participants to high-end repetitive tasks, but the state wants individuals to select jobs that they would most enjoy.

Mr. Bisbecos also reported that the state is currently working with service providers to develop a fair and manageable reimbursement system under the Objective Assessment System for Individual Supports (OASIS) so that service providers will not have budget shortfalls this year and in subsequent years.

III. Presentation by Mr. John Dickerson, Executive Director, ARC of Indiana

Mr. Dickerson gave a presentation concerning the First Steps program as well as Medicaid waivers. He commented that as of a few years ago Indiana was in the bottom third of programs for developmental disabilities but has since made vast improvements and is now classified in the top third. The Developmental Preschool program has focused on children between ages 3 and 5 and was enacted because of federal mandate. Mr. Dickerson reported that the annual report associated with the Developmental Preschool program has not been submitted for several years. Mr. Dickerson informed the Commission that an audit of the First Steps program is currently underway to assess program successes and potential areas for improvement. However, he did report that initial data indicates that children in rural areas are not getting the services that they need, primarily due to high gas prices as well the inability for parents to leave work to transport them to centers where they can receive services.

Mr. Dickerson reported that Medicaid waivers have seen tremendous growth over the past 10 years and that these waivers have been instrumental in increasing the amount of community-based services. He also reported that by December, a full 10-year analysis of the Medicaid waiver program will be completed.

Mr. Dickerson also proposed an idea for legislation to aid not-for-profit community centers that provide MRDD services that have lost county funds as a result of the property tax

legislation from the 2008 General Assembly. Previously, funds were voluntarily provided from local and county governments to MRDD centers. Mr. Dickerson reported counties that provided assistance in the past have already informed the MRDD centers that they will not be able to provide the same assistance this year due to the change in property taxes. Mr. Dickerson suggested that the legislation create a \$15 million property tax replacement fund that would be used to send funding to the MRDD centers that rely on local property tax dollars to supplement their budgets.

In response to a question from Sen. Sipes about the funding sources for the MRDD centers, Mr. Dickerson explained that the centers receive discretionary funding from local and county governments. Mr. Dickerson also stated that nearly every county has notified their MRDD center that they believe they will be unable to provide funding to these centers, but did not have a list of those counties that previously provided funding to their local MRDD center. Mr. Dickerson further asserted that the best solution would be a property tax replacement fund to ensure that this funding is still provided. Funds in this account would be pass-through funding sent to county or local governments and would be designated for programs for the developmentally disabled to avoid using these funds for other programs. Sen. Sipes asked if any of the counties are trying to institute a local option income tax, to which Mr. Dickerson replied that some have tried and some have yet to.

Rep. Klinker raised the point that implementing a local option income tax to help fund centers could cause some concern and asked if funding for this program could logistically come from the already-implemented state welfare funding and school funding formula that was included in the property tax legislation. When asked by Rep. Klinker about a time frame for temporary funding from the state in order to allow the centers time to adjust to new budgets, Mr. Dickerson replied that he thinks the centers would require four years before a permanent fix could be achieved. Rep. Klinker suggested a two-year time frame would be better and could be included in the biennial budget. Sen. Sipes voiced her concern over any potential changes to the property tax legislation and that funding for MRDD centers would best fit with the welfare fund.

Rep. Klinker asked Mr. Dickerson about early intervention services and the best ways to provide these in rural communities. Mr. Dickerson asserted that the shortage of therapists in rural areas causes travel difficulties and that meeting the federal requirement for a "natural environment" adds difficulty as well. He suggested that some of the best solutions are churches and schools where several individuals can receive care and still qualify as a "natural environment". Mr. Dickerson also suggested that a way to increase service delivery in rural areas would be to change the state's definition of a "natural environment".

IV. Presentation by Mr. Steve Cook, Board Chair, INARF and Mr. Jim Hammond, CEO, INARF, about the OASIS Program

Mr. Cook reported that the Indiana Association of Rehabilitative Facilities, Inc. (INARF) has been working to find an objective way to determine the reimbursement rates for centers as well as funding per person under the OASIS program. He explained to the Commission that funding per person is determined by taking 62 sample individuals and using their traits and conditions as a foundation to determine prospective funding for a person's disorder. One main problem with this system is that these 62 different base conditions determine funding for thousands of people. The recently revised funding system for OASIS was determined to be impractical during the early stages of its implementation and hence implementation has been held off until January of 2009, providing time for administrators and care givers to develop a more objective and manageable reimbursement system. Under the revised reimbursement system, Mr. Cook explained that it is possible for some amounts for disorders to increase and others to decrease, but that from the date of implementation (January of 2009), individuals

would have until December of 2009 to operate within their budget.

Mr. Hammond illustrated that the reimbursement rate was not the only issue. The main issue with the OASIS reimbursement program is that any changes to the funding structure should not affect program options, access, or coverage. In response to a question from Sen. Sipes about a deadline for full implementation of the OASIS reimbursement changes, Mr. Hammond informed the Commission that they anticipate finishing negotiations for a new reimbursement system within the next three to five weeks. Initial implementation will take place January 2009 with full implementation by December 2009.

V. Presentation by Mr. Jeff Darling, President, Wabash Center, about the Wabash Center

Mr. Darling gave background on the current reimbursement structure under the OASIS program and stressed that the reimbursement system needed to be structured in a way that would allow service consumers to balance work and needs. Mr. Darling's presentation (Exhibit 2) illustrated that not-for-profit MRDD centers operate in deficits and rely on county dollars as well as donations to keep their programs operational. With the additional shortfall in funding that the restructured OASIS program would cause, he fears that he will not be able to make up his budget shortfall through donations from the United Way. Specifically, the Wabash Center would not be able to draw down all the money for services because of the change in the reimbursement rate and could experience a \$140,000 shortfall in addition to the center's normal annual shortfall that is supplemented by charitable donations from the United Way.

VI. Adjournment:

The meeting was adjourned at 3:15 P.M.